

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



April 13, 1988

ALL-COUNTY INFORMATION NOTICE 1-24-88

TO: ALL COUNTY WELFARE DIRECTORS  
ALL COUNTY GAIN COORDINATORS

SUBJECT: GREATER AVENUES FOR INDEPENDENCE (GAIN) COST  
CONTROLLING MEASURES FOR COUNTY CONTRACTORS

The purpose of this All-County Information Notice (ACIN) is to provide general guidelines for the review and approval of contracts between the County Welfare Department (CWD) and providers of GAIN services. Several Counties requested that we provide this information in order to assist them in developing contracts.

It should first be noted that the County retains the ultimate program and fiscal responsibility for local GAIN activities and therefore, has the responsibility to negotiate costs in order to maintain GAIN program expenditures at reasonable levels. Manual of Policies and Procedures (MPP) 23-601.12 states that prior to initiating purchase of service processes, Counties shall research potential contracting agencies to determine the cost effectiveness of contracting for such services. Contracting shall be consistent with County civil service procedures and regulations. Counties should also refer to All-County Letter No. 86-119, dated November 25, 1986, for guidelines regarding activities which may be contracted out, performance criteria, payment for training and education services and competitive selection of contractors. Counties should also refer to ACL 86-62, dated July 18, 1986, and ACL 86-87, dated September 5, 1986, for information concerning allowability of costs and billing requirements.

In negotiating GAIN contracts, Counties should seek to achieve, at a minimum, a "maintenance of effort" with those organizations that have provided educational or training services to AFDC recipients in the past. That is, Counties should have the expectation that these providers will serve the same number or percentage of AFDC recipients under GAIN as were served prior to the implementation of GAIN. This would be particularly true with

respect to adult education providers and organizations funded through the Job Training Partnership Act (JTPA). GAIN funding must not be committed to potential educational or training providers until it is clear that there are no available resources that could be used to provide services.

We suggest that Counties require potential contractors to provide detailed information broken down by activity to be performed. Contractor proposals should also clearly specify the costs for staff salaries and benefits, equipment purchases, overhead, etc. When making the final selection of contract proposals, the County should also consider the following:

- o Total funds requested.
- o Unit cost of each activity in the proposed contract.
- o Geographic areas to be served.
- o Possible duplication of services by other agencies.
- o Program design.
- o Contractor knowledge and experience with the target population.
- o Accessibility of program services to the target population.
- o Compliance with GAIN regulatory requirements.

To assist Counties in determining reasonable costs in dealing with contractors, we have listed average contracted unit costs in key areas of the program. These costs have been developed based on the experience of operating Counties.

Component	Unit Cost
Vocational Training	\$2,454
On-The-Job Training	\$2,586
Other Training/Education	\$2,644
Job Club	\$ 262
Job Search	\$ 369
Assessment	\$ 234

We hope this information will be useful in dealing with future contracting activities. If you have any questions or concerns regarding the above guidelines, please contact your GAIN Operations consultant at (916) 324-6962.



DENNIS J. BOYLE  
Deputy Director

cc: CWDA